



California Department
of Transportation
San Diego, District 11
4050 Taylor Street
San Diego, Ca 92110

Edmund G. Brown Jr.
Governor,
State of California

Malcolm Dougherty
Acting Caltrans Director

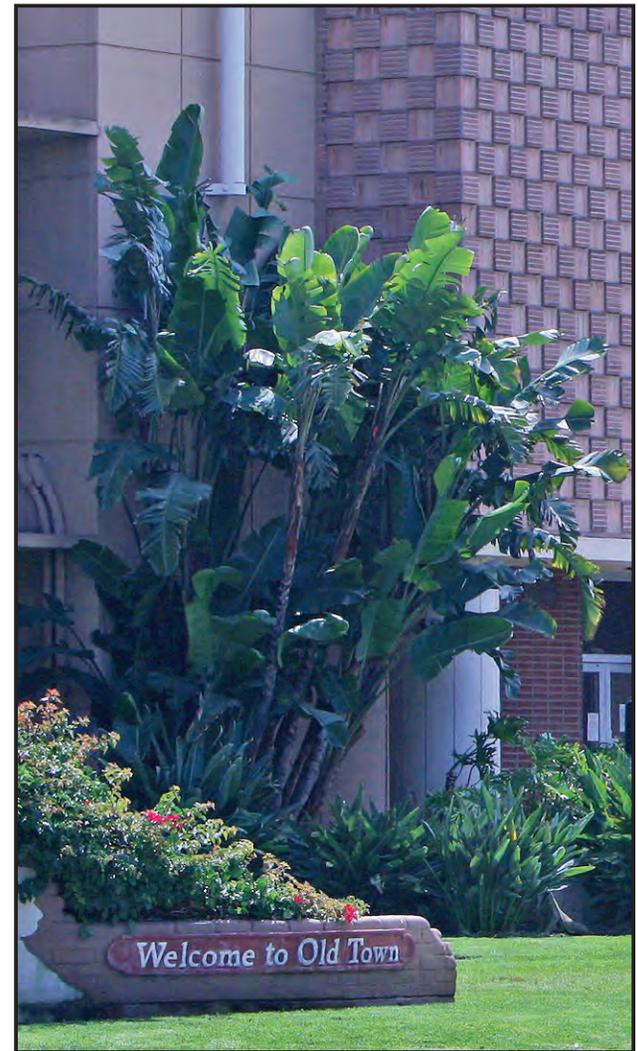
dot.ca.gov/dist11



Commercial Development Opportunity

State Property Auction

San Diego
Jan. 25, 2012





Historic Old Town San Diego Location

Sitting in the shadow of the Presidio of San Diego just to the north and the downtown city skyline to the south, this prime commercial location is considered the gateway to the city's history, food and fun.

A variety of restaurants, shops, art galleries, museums and trolley tours are all within walking distance, and the ever-popular Old Town San Diego State Historic Park is just a block away.

The Old Town Transit Center is about two blocks away and is a hub of transportation opportunities, featuring plenty of free public parking and bus, trolley and commuter train services. The San Diego International Airport and the downtown Santa Fe Train Depot are minutes away and welcome more than 18 million passengers each year.



Old Town Transit Center

Old Town San Diego is in the heart of the region's Mission Valley, bound on the north by Interstate 8 and on the west by Interstate 5.

This property is located at the corner of Taylor and Juan streets with the average number of vehicles at 23,500 and 8,800 respectively each day. For more information on Historic Old Town San Diego, check out the web site at DiscoverOldTown.com. This commercial development opportunity is located at the site of the vacated California Department of Transportation (Caltrans) District Office Building at 2829 Juan Street in sunny San Diego, California.

The property is a rectangular 2.48 acres (107,500 square feet), with three major buildings totaling 115,735 square feet. It is zoned OTSDPD-Core or Commercial.

Auction

Wednesday, Jan. 25, 2012

Location – Caltrans, Garcia Room,
4050 Taylor Street, San Diego, CA 92110

Registration – 9 a.m.

Bidding – 10 a.m.

Open House

Tuesday, Dec. 6, 2011 – 10-11 a.m.

Tuesday, Dec. 13, 2011 – 10-11 a.m.

Please RSVP one day in advance to Pamela.Lemar@dot.ca.gov. to schedule a tour. Additional tours to be determined.



Property Courtyard

Property Contacts

For more information see the web site or contact the following staff:

Pamela Lemar
(619)688-6942

Pamela.Lemar@dot.ca.gov.

Lena Young
(619)688-3349

Lena.Young@dot.ca.gov

For Additional Information
dot.ca.gov/property

The former California Department of Transportation District 11 Office Building sold in an "as is" condition. Bidders should confer with local planning officials to determine permitted uses of any property. Old Town Community Planning (619)543-9057 and the City of San Diego Land Development (619)446-5000.

Caltrans reserves the right to omit the sale of any auction item prior to auction date.

DATA SHEET
DD 002489-01-04 Former Caltrans District 11 Office Complex

The information contained in these sources is deemed reliable, but accuracy and completeness are not guaranteed. This material is provided merely as a courtesy to the bidders. All bidders are encouraged to make visual inspections prior to the auction. The property is sold in an **"AS IS"** condition.

PROPERTY LOCATION: 2829 Juan Street, San Diego CA 92110.

ZONING: OTSDPD (Old Town San Diego Planned District Commercial Zone) -Core or Commercial

SIZE AND SHAPE: Approximately 2.48 acre site rectangular in shape

TOPOGRAPHY: Level

UTILITIES: SDG&E, Telephone, cable, water/sewer, police and fire services.

TENANCY: Vacant, with the exception of two cell tower tenants occupying the equipment penthouse. Sale "Subject to Lease".

REAL ESTATE TAXES: Property is not assessed for taxes while vested in the State; however, it will be assessed after transfer into private ownership.

ENCUMBRANCES: Property is subject to all matters of public record and any easement, claim of easements or reservations not of record. Prospective bidders should consult local title companies if more complete information regarding the title of the property is required. **The Department does not provide a preliminary title report.**

IMPROVEMENTS: Building size – Three major buildings totaling 115,735 square feet

- *The original building (A)* built in 1951 is a two story L-shape building fronting Taylor and Juan Streets.
- *The second building (B)* built in 1958 is a two story rectangular shaped building situated along Calhoun Street.
- *The third building (C)* built in 1963 is a two story rectangular shaped building with a basement located along Juan and Wallace Streets.
- *Basement*
- *Three Equipment Penthouses*

CONDITION: Poor

REMARKS: This sale is subject to the approval of the California Transportation Commission. The awarding bid will be submitted for approval at the CTC's scheduled meeting on March 29, 2012.

OPENING BID: \$4,500,000.00

REGISTRATION FEE: \$200,000.00

TERMS: CASH 90-Day Option

AUCTION DATE: Wednesday, January 25, 2012@ 10:00AM

**AUCTION LOCATION: DEPARTMENT OF TRANSPORTATION (CALTRANS)
4050 TAYLOR ST, SAN DIEGO, CA 92110
GARCIA ROOM**

OPTION DEPOSIT: 10% of Bid less \$200,000.00 due February 15, 2012, by 3:00PM

OPTION PERIOD: Balance in full on or before April 27, 2012 at 3:00 PM



Supplemental Fact Sheet

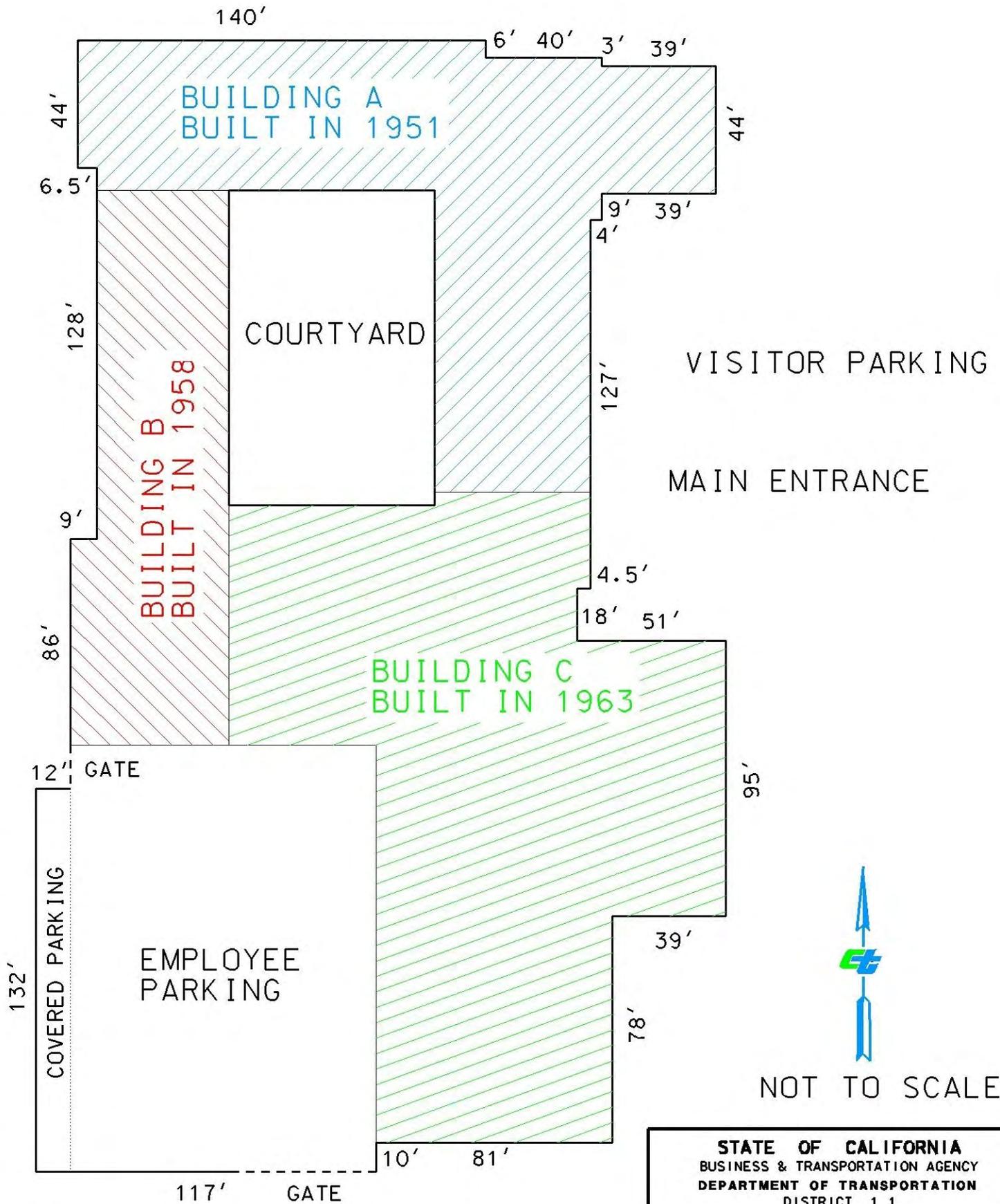
- The property is currently a vacated State of California Department of Transportation office building and is part of the City of San Diego and the City Council of San Diego enacted Ordinance Number o-18208, which is known as the “Old Town Business Improvement District”. The “CORE” zoning is to replicate and retain the distinctive character of the Old Town San Diego historic area that existed prior to 1871 with emphasis on preserving the heritage and importance as California’s birthplace and first European settlement. Building “A” built in 1951 requires an archeological review by a qualified individual to ensure any proposed project in the future will not impact or disturb the grounds.
[see site map]
- The Complex was determined to be eligible for inclusion in the National Register of Historic Places under Criterion C (California Register Criterion 3) as a good example of a "Modernist" office building in the local San Diego area and the best designed district office complex built during the period of 1947 through 1967. The State Historic Preservation Office (SHPO) concurred in its National Register eligibility on March 7, 2011, placing it on the Master List of Historical Resources
- ***Incentive:*** The Mills Act and Federal Rehabilitation. See website for more information:

<http://www.sandiego.gov/planning/programs/historical/faq/millsact.shtml>

<http://www.historicsandiego.org/faq.htm>

<http://sohosandiego.org/histdistricts/millsact.htm>

http://www.boe.ca.gov/proptaxes/faqs/faqs_mills_act.htm
- ***Cell Tower Lease:*** The building currently has leases for cell phone towers to T-Mobile and Sprint. The antennas are located above the Equipment Penthouse 1 and Penthouse 3. Sale “Subject to” the lease.



NOT TO SCALE

STATE OF CALIFORNIA BUSINESS & TRANSPORTATION AGENCY DEPARTMENT OF TRANSPORTATION DISTRICT 1 1	
BUILDING SKETCH	
DD2489-01-04	SCALE NONE
SHEET 1 OF 1	



Ariel View of the building

EXHIBIT "A"

All that certain real property situated, lying, and being in the City San Diego, County of San Diego, State of California, described as:

BLOCK 409 of OLD SAN DIEGO, according to Map of Old San Diego made by James Pascoe in 1870, on file in the Office of the City Engineer of said City, a copy of which was filed in the Office of the Recorder of said County as Miscellaneous Map No. 40, as conveyed to the State of California in a deed recorded July 24, 1950 as Document No. 81944 in Book 3706, Page 211 in the Office of said County Recorder.

Containing 2.48 acres, more or less.

The bearings and distances used in the above description are on the California Coordinate System of 1927, Zone 6.

Subject to special assessments if any, restrictions, reservations, and easements of record.

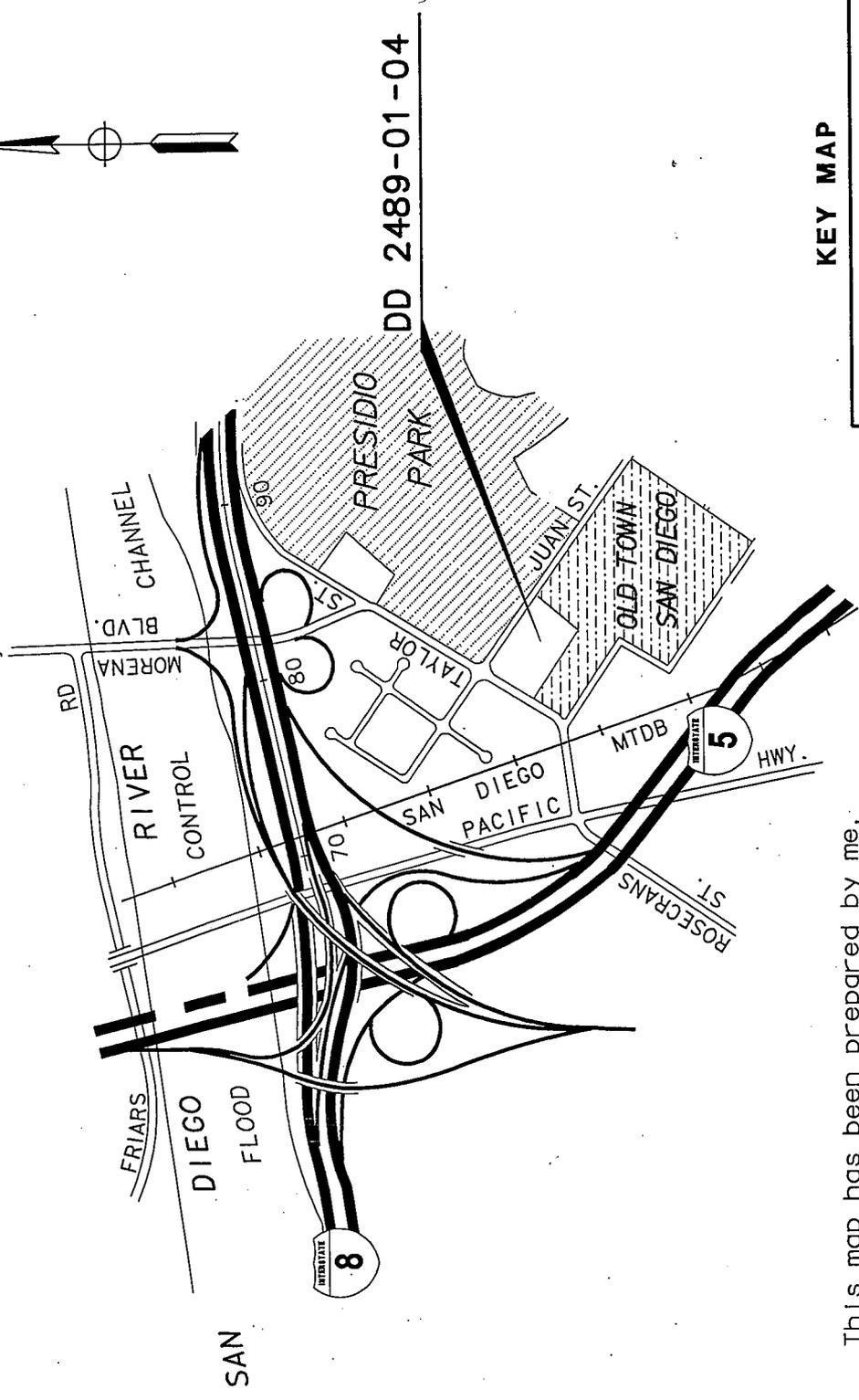
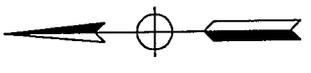
This real property description has been prepared by me, or under my direction, in conformance with the Professional Land Surveyors' Act.

Signature *Simon D. Hubble*
Date *Nov. 30, 2006*



CITY OF SAN DIEGO

OLD SAN DIEGO



DD 2489-01-04

KEY MAP

STATE OF CALIFORNIA BUSINESS & TRANSPORTATION AGENCY DEPARTMENT OF TRANSPORTATION DISTRICT 11			
EXCESS PARCEL MAP DD 2489-01-04			
RIGHT OF WAY MAP NO.	COUNTY	ROUTE	POST MILES
	SD	5	19.8
			SCALE NONE
			SHEET 1 OF 2

This map has been prepared by me,
or under my direction, in conformance
with the Professional Land Surveyors' Act.

Signature *[Handwritten Signature]*

Date *Nov. 30, 2006*

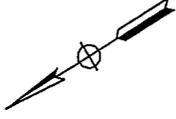


CITY OF SAN DIEGO

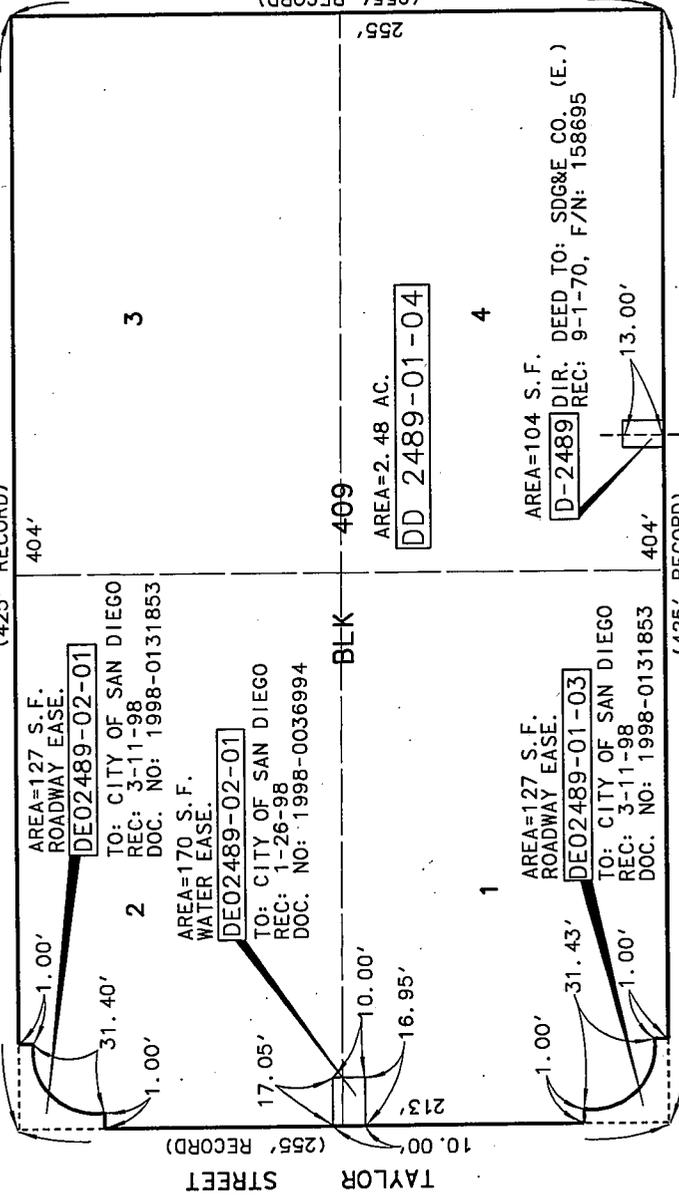
OLD SAN DIEGO

MISC. MAP NO. 40

EXHIBIT NO. 4, SCC 36166



JUAN STREET
(425' RECORD)



CALHOUN STREET
(FORMERLY FITCH STREET)

BLK 408

STATE OF CALIFORNIA BUSINESS & TRANSPORTATION AGENCY DEPARTMENT OF TRANSPORTATION DISTRICT 11			
EXCESS PARCEL MAP DD 2489-01-04			
RIGHT OF WAY MAP NO.	Por. 20012		
COUNTY	ROUTE	POST MILES	SCALE
SD	5	19.8	NONE
			SHEET 2 OF 2

TERMS OF OPTION TO PURCHASE AGREEMENT
--

OPENING BID: BIDS BELOW THE RESERVE AMOUNT MAY BE REJECTED.

TERMS: CASH 90-DAY OPTION PERIOD----The full accepted bid price shall be paid to the California Department of Transportation on or before the end of the Option Period, **April 27, 2012 by 3:00PM.** The State does not accept personal checks.

BID REGISTRATION: In order to participate in this auction, a registration fee of \$200,000.00 is required with the completion of the Bid Form. The registration fee must be by **cashier's check, certified check, or money order** made payable to the California Department of Transportation. The successful bidder will apply the \$200,000.00 registration fee toward their Option Deposit.

OPTION DEPOSIT: The total option deposit amount represents a percentage of the actual bid. The winning bidder will be required to pay the California Department of Transportation the difference between the initial registration fee of \$200,000.00 and an amount representing 10% of the actual bid within 15 working days of the sale. Payment of said difference must be received by **3:00 PM, February 15, 2012 or the registration fee of \$200,000.00 is forfeited and the Option may be awarded to the second highest bidder.** The option deposit must be in the form of a cashier's check, certified check or money order made payable to the California Department of Transportation.

OPTION PERIOD: The Option Deposit previously described will be consideration for the 90-Day Option period and will be credited toward the accepted bid. The balance of the accepted bid shall be paid on or before the expiration of the **90-Day Option Period, April 27, 2012 by 3:00 PM.** There may be situations wherein the Option holder is unable to complete the terms of this Option within the time allowed for reasons beyond his/her control. Under these circumstances, the California Department of Transportation, at its discretion, may elect to extend the Option Period. A charge of 1% of the bid price per the month will be made for such extensions. This charge **SHALL NOT** be applied toward the purchase price.

OPTION AGREEMENT: The Bid Form shall be exercised as the "Option to Purchase Agreement." The successful bidder shall be bound to the terms specified in the "Option to Purchase Agreement". The Option is not assignable or transferable. This sale is subject to the approval of the California Transportation Commission (CTC), scheduled to meet on **March 29, 2012.** Title will transfer after the balance of the purchase price is received, the CTC has approved the sale and the **Director's Deed 002489-01-04** has been recorded. If the CTC does not approve the sale, all funds deposited with the State will be refunded without interest.

FORFEITURE OF DEPOSIT: The Option Deposit shall be **non-refundable** in the event that the successful bidder fails to exercise the Option within the 90-day period or fails to comply with any and all of the terms of the Option, as provided herein.

DUE DILIGENCE: All bidders must fully complete their property due diligence **prior** to the date of the auction. Winning bidders shall represent, covenant and warrant that they are purchasing the property relying solely on their independent inspection of the property in its existing condition. The

California Department of Transportation shall not be liable for any allowance, adjustment or revision based upon the failure of the property, appliances or floor plans to conform to any specific standards. It is the responsibility of all prospective purchasers to fully investigate zoning and land use restrictions with local authorities concerning the potential uses of the sale property. The California Department of Transportation makes no warranty regarding whether or not the current use of the property is in compliance with the present zoning and/or permitted use.

INSPECTION INDEMNITY: In connection with any due diligence, any inspection, visit and/or investigation of the property by prospective purchasers, bidders, and/or winning bidders or any person or entity on their behalf (the "Inspectors") shall 1) keep the property free and clear of liens, 2) repair all damage arising from such inspection, and 3) indemnify, defend and hold the California Department of Transportation harmless from all liability, claims, demands, damages and/or costs directly or indirectly arising there from. Inspectors shall carry, or require anyone acting on Inspector's behalf to carry, policies of liability, workers' compensation and other applicable insurance, defending and protecting seller from liability for any injuries to persons or property occurring during any inspection prior to close of the transaction.

DISCLAIMER OF WARRANTY: The property is sold in an "**AS IS**" condition. All prospective purchasers/bidders acknowledge and agree that they are bidding for, and if the winning bidder, acquiring the property in its present state and condition as of auction day, with all defects, both patent and latent, and with all faults of the property whether known or unknown, presently existing or that may hereafter arise, including, without limitation, all existing conditions, if any, of lead paint, mold or other environmental or health hazards. All prospective purchasers/bidders acknowledge and agree that seller has not made, does not make and specifically negates and disclaims any representations, warranties, promises, covenants, agreements or guarantees of any kind or character whatsoever, whether express, implied, oral or written, past, present or future, of, as to, concerning or with respect to the condition of the property. Each prospective purchaser/bidder should consider these matters when registering as a bidder and placing bids.

SECOND HIGHEST BID: In the event the high bidder fails to execute his/her option within the Option Period or defaults in the completion of the sale, the California Department of Transportation, at its discretion, may offer the parcel to the second highest bidder. If the second highest bidder accepts the Option, the deposit requirements and terms of the "Option to Purchase Agreement" shall remain the same, except that the Option Period shall commence on the day the Option is awarded by the State.

CALIFORNIA TRANSPORTATION COMMISSION: The sale under the "Option to Purchase Agreement" is subject to the approval of the California Transportation Commission (CTC), scheduled for **March 29, 2012**. Title will transfer after the balance of the purchase price is received, the CTC has approved the sale and the **Director's Deed 002489-01-04** has recorded. If the CTC does not approve the sale, all funds deposited with the State will be refunded without interest.

FEES: The successful bidder is responsible for **ALL FEES** associated with this sales transaction including, but not limited to: title insurance, premiums, escrow, documentary transfer tax, recording fees, appraisal, survey, loan fees, credit reports, points, broker's commission and any other charges by whatever name known.

FINANCING:

Financing is the responsibility of the successful bidder. The successful bidder may open an escrow account at the bidder's expense. If the successful bidder chooses to open escrow, the escrow officer shall notify the California Department of Transportation by letter within 15 days from the date of the auction. The notification letter shall be mailed directly to the California Department of Transportation, Right of Way Division, M.S. 310, 4050 Taylor Street, San Diego, Ca 92110, Attention: Pamela Lemar.

DISQUALIFIED BIDS: The California Department of Transportation reserves the right to reject any and all offers, and to waive any informality or irregularity in any offer or to accept any offer deemed in the best interest of the California Department of Transportation. Any agreement between two or more prospective bidders to set their bid prices, or not to submit bids against each other, for the purpose of purchasing any parcel at a more advantageous price or terms, is prohibited. Where such an agreement comes to the knowledge of the California Department of Transportation, any bids made pursuant to such agreement will be disqualified. The above prohibitions do not preclude single bids submitted by one or more persons or entities or both partners or joint ventures or other similar legally permissible combination.

LIMITING CONDITIONS

1. The sale under this Option to Purchase Agreement is subject to the approval of the California Transportation Commission (CTC). If the sale is not approved, the Option Deposit and balance payment will be refunded without interest. In the event, the California Transportation Commission approves the sale, and the successful bidder elects to exercise the option, the Deposit will be credited toward the bid purchase price. The purchaser may take possession when the Director's Deed 002489-01-04 is recorded.

2. The California Department of Transportation reserves the right to reject any and all bids and cancel the sale in part or in its entirety at any time prior to recordation of the Director's Deed 002489-01-04. In the event of cancellation of the sale and/or rejection of any bids, the respective deposits of monies shall be refunded without interest.

3. The right, title, and interest in the property to be sold shall not exceed that vested in the State of California. The sale of this property is subject to all matters of public record and any easements, claims of easements or reservations, whether of record or not. The property is warranted to be free of any liens, court judgments, loans and delinquent or unpaid property taxes. The California Department of Transportation does not assume any liability for any unknown encumbrances on this property. The successful purchaser may obtain a policy of title insurance at his or her own expense.

4. The successful bidder shall pay all recording fees, repairs and costs, documentary transfer taxes, title insurance, or other real estate transaction taxes or fees, by whatever name known, including escrow fees and any broker's commission. If applicable, purchaser shall pay any personal property sales taxes.

5. The property is sold in an **“AS IS”** condition. Repairs are the responsibility of the successful bidder. The California Department of Transportation makes no warranties, oral, written or implied to any of the property’s improvements. Condition of all improvements is a risk that the successful bidder must accept. The successful bidder agrees that, as of the close of escrow, the property is acquired in an **“AS IS”** condition with all faults and conditions then existing on the property, including any hazardous substances or hazardous wastes that may be located on, under, or around the property, whether known or unknown, and the successful bidder assumes all responsibilities for such faults and conditions.

6. The information contained herein has been obtained from sources deemed reliable, but accuracy and completeness are not guaranteed.

7. The subject is currently zoned **OTSDPD – Core or Commercial**. It is recommended that all prospective purchasers fully investigate zoning and land-use restrictions with local authorities concerning the potential uses. The California Department of Transportation makes no warranty regarding the zoning or rezoning of any property or land-use determinations. The successful bidder shall be responsible for checking and complying with local codes and ordinances for permitted land uses. Contact the City of San Diego Planning for more information.

<http://www.sandiego.gov/development-services> or (619) 235-5200.

8. All California Department of Transportation employees may bid to acquire excess State property except employees who have direct access to information not generally available to the public or who influence the purchase or sale of right of way or other real property.

9. The property is currently exempt from local taxes and will return to tax rolls upon the recording of the Deed to the successful bidder.

10. Should the successful bidder purchaser desire a survey of the property, this may be accomplished with the expressed consent of the California Department of Transportation and by an independent survey at the purchaser’s expense. The California Department of Transportation makes no warranty relative to the ground locations of property lines other than monumented highway right of way lines.

11. The sale of this excess property is not exempt from the requirements of the California Environmental Quality Act of 1970 (CEQA). An environmental document was prepared for the sale of this property. The environmental determination by California Department of Transportation for the sale of the property does not mean the buyer may not have to obtain subsequent environmental documents or prepare the same as required by any local agency. Buyer should also be aware that if buyer seeks some form of approval or permit for development subsequent to buyer’s purchase of this excess property, the local agency may require an environmental document and/or environmental analysis before giving its approval or permit.

12. **The successful bidder shall be bound to the terms specified in the “Terms of Option to Purchase Agreement”.**

CERTIFICATE OF PRE-BID AGREEMENT
DD 002489-01-04

I hereby understand and agree that the parcel(s) upon which I may bid will be sold **"AS-IS," and that all sales are final.** This means that the California Department of Transportation does not guarantee, warrant or imply any potential for development or uses of said parcel(s). I have exercised due diligence regarding feasibility of existing and/or potential use(s) of the parcel(s) and I have investigated, to my own satisfaction, any possible conflicts/problems with zoning and/or development regarding parcels upon which I may bid.

If I am the successful bidder on one or more of these parcels I shall hold the State of California harmless regarding any limitations as to development potential of the parcel(s). Furthermore, I shall release the California Department of Transportation from any liability regarding any/all conflicts with local zoning, building, or development requirements.

I understand and agree that, after close of bidding, the California Department of Transportation has no obligation to provide further information, soil studies, mapping, title reports, appraisals, curative work, zoning applications, utility relocation, construction advice, surveys, price renegotiation, or any other assistance in pursuit of private property development.

I further agree to complete the terms and conditions of the purchase agreement, which I will sign and date on _____, 20__.

I understand that if I fail to complete the transaction as agreed, I shall forfeit my \$200,000.00 deposit.

Bid Applicant _____ **Date** _____
(Signature)

(Print Name)